

**SUBSTITUTE FOR
HOUSE BILL NO. 4536**

A bill to amend 1957 PA 206, entitled

"An act to authorize 2 or more counties, cities, townships and incorporated villages, or any combination thereof, to incorporate an airport authority for the planning, promoting, acquiring, constructing, improving, enlarging, extending, owning, maintaining and operating the landing, navigational and building facilities necessary thereto of 1 or more community airports; to provide for changes in the membership therein; to authorize an authority or the counties, cities, townships and incorporated villages that form an authority to levy taxes for such purposes; to provide for the operation and maintenance and issuing notes therefor; and to authorize condemnation proceedings,"

by amending the title and sections 1, 3, 4, 7, 8, and 11 (MCL 259.621, 259.623, 259.624, 259.627, 259.628, and 259.631), the title as amended by 1987 PA 153, sections 1, 3, 4, and 8 as amended by 1982 PA 312, and section 7 as amended by 1983 PA 182.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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1 TITLE

2 An act to authorize 2 or more counties, cities, townships,
3 ~~and~~ incorporated villages, OR THE MICHIGAN AERONAUTICS
4 COMMISSION, or any combination ~~thereof~~ OF THOSE ENTITIES, to
5 incorporate an airport authority for the planning, promoting,
6 acquiring, constructing, improving, enlarging, extending, owning,
7 maintaining, and operating the landing, navigational, and build-
8 ing facilities necessary ~~thereto~~ FOR THOSE PURPOSES of 1 or
9 more community airports; to provide for changes in the membership
10 ~~therein~~ OF AN AIRPORT AUTHORITY; to authorize an AIRPORT
11 authority or the counties, cities, townships, ~~and~~ incorporated
12 villages, that form an AIRPORT authority to levy taxes for ~~such~~
13 THOSE purposes; to provide for the operation and maintenance and
14 issuing OF notes ~~therefor~~ FOR THAT PURPOSE; and to authorize
15 condemnation proceedings.

16 Sec. 1. Any 2 or more ~~counties, cities, incorporated vil-~~
17 ~~lages, or townships, or any combination thereof~~ ELIGIBLE PUBLIC
18 ENTITIES, by resolution of their respective ~~legislative~~
19 GOVERNING bodies, may join to form an airport authority for the
20 purpose of planning, promoting, acquiring, constructing, improv-
21 ing, enlarging, extending, owning, maintaining, and operating,
22 EITHER WITHIN OR OUTSIDE OF THEIR JURISDICTIONAL BOUNDARIES, the
23 NECESSARY landing, navigational, and building facilities
24 ~~necessary thereto, either within or without their limits,~~ of 1
25 or more community airports. A site for the physical facilities
26 of the airport authority shall not be selected without the
27 approval of 2/3 of the total membership of the airport authority

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1 board and shall be located within the boundaries of the airport
2 authority.

3 Sec. 3. (1) The resolution creating the airport authority
4 shall designate the ~~counties, cities, incorporated villages, and~~
5 ~~townships~~ ELIGIBLE PUBLIC ENTITIES to be included ~~therein~~ IN
6 THE FORMATION OF THE AIRPORT AUTHORITY and shall set forth the
7 fact that a sum of money not to exceed 1 mill of their assessed
8 valuation as last equalized by the state may be requested OF A
9 COUNTY, TOWNSHIP, CITY, OR VILLAGE, and certified by the airport
10 authority board annually for the purpose of planning, promoting,
11 acquiring, constructing, improving, enlarging, extending, owning,
12 maintaining, and operating the necessary landing, navigational,
13 and building facilities of 1 or more community airports. The
14 resolution also shall provide that the requested money or any
15 portion of the requested money may be pledged by the governing
16 body of the airport authority for the payment of revenue bonds
17 under ~~Act No. 94 of the Public Acts of 1933, as amended, being~~
18 ~~sections 141.101 to 141.139 of the Michigan Compiled Laws~~ THE
19 REVENUE BOND ACT OF 1933, 1933 PA 94, MCL 141.101 TO 141.140.
20 The authority ~~shall be deemed to be~~ IS CONSIDERED a charter
21 authority within the meaning of section 6 of article ~~9~~ IX of
22 the state constitution of 1963. The resolution may provide that
23 the airport authority ~~shall become~~ BECOMES operative if a spec-
24 ified number of the proposed number of members GOVERNING bodies
25 approve it. The resolution may ~~fix~~ ESTABLISH a time within
26 which the respective ~~local units~~ ELIGIBLE PUBLIC ENTITIES must
27 act in order to be included in the airport authority. The

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1 resolution may designate a date for the appointed representatives
2 to convene.

3 (2) Any ~~county, city, incorporated village, or township~~
4 ELIGIBLE PUBLIC ENTITY may subsequently become a member of any
5 airport authority formed under this act upon resolution adopted
6 by the governing body of the ~~municipality~~ ELIGIBLE PUBLIC
7 ENTITY and acceptance by resolution adopted by majority vote of
8 the entire governing board of the airport authority. Any
9 ~~county, city, incorporated village, or township which~~ ELIGIBLE
10 PUBLIC ENTITY THAT is or becomes a member of an airport authori-
11 ty, upon request and upon resolution of its governing body, duly
12 accepted by a 2/3 majority vote of the entire governing board of
13 the airport authority, may be released from membership in the
14 airport authority. ~~A county, city, incorporated village, or~~
15 ~~township~~ AN ELIGIBLE PUBLIC ENTITY may not be released from mem-
16 bership in ~~any~~ AN airport authority formed under this act until
17 all outstanding obligations of the airport authority that have
18 been incurred after the time of the admission to membership of
19 the ~~county, city, incorporated village, or township~~ ELIGIBLE
20 PUBLIC ENTITY and that part of prior obligations as may be agreed
21 to by the board and the governing body of the ~~county, city,~~
22 ~~incorporated village, or township~~ ELIGIBLE PUBLIC ENTITY have
23 been paid, or adequate provision has been made for the payment.
24 ~~thereof.~~

25 Sec. 4. (1) ~~The legislative~~ SUBJECT TO SUBSECTION (3),
26 THE GOVERNING bodies of the ~~counties, cities, incorporated~~
27 ~~villages, and townships~~ ELIGIBLE PUBLIC ENTITIES creating the

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1 airport authority may raise by an ad valorem property tax, to be
2 levied on the taxable property within their respective jurisdic-
3 tions, a sum of money to be used to assist in the planning, pro-
4 moting, acquiring, constructing, improving, enlarging, extending,
5 owning, maintaining, and operating the NECESSARY landing, naviga-
6 tional, and building facilities ~~necessary thereto~~ of the commu-
7 nity airport authorized by this act. The tax shall not exceed 1
8 mill on each dollar of the state equalized valuation of each
9 ~~county, city, incorporated village, or township~~ ELIGIBLE PUBLIC
10 ENTITY. In computing the total tax to be levied, the assessed
11 valuation of any ~~unit of government~~ ELIGIBLE PUBLIC ENTITY
12 joining the airport authority shall not be used more than once.

13 (2) ~~The~~ SUBJECT TO SUBSECTION (3), THE ad valorem property
14 tax authorized by this section shall not be levied unless
15 approved by the majority of the qualified electors of the ~~member~~
16 ~~local unit~~ ELIGIBLE PUBLIC ENTITY voting ~~thereon~~ FOR THE AD
17 VALOREM PROPERTY TAX. A tax approved pursuant to this subsection
18 may be levied until the ~~local unit~~ ELIGIBLE PUBLIC ENTITY is
19 released from membership in the authority or until the authority
20 is dissolved, whichever occurs first. However, this subsection
21 ~~shall not be considered to~~ DOES NOT prohibit the use of reve-
22 nues from ad valorem property tax levies of mills within the
23 member local unit's charter or statutory limitation to pay an
24 appropriation required by the airport authority.

25 (3) NOTWITHSTANDING ANY OTHER PROVISION IN THIS ACT, THE
26 MICHIGAN AERONAUTICS COMMISSION IS EXEMPT FROM THE REQUIREMENTS
27 OF THIS ACT RELATED TO THE LEVYING OF AN AD VALOREM PROPERTY TAX.

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1 Sec. 7. (1) Not later than April 1 of each year the airport
2 authority board shall prepare a budget containing an itemized
3 statement of the estimated current expenses and the expenses for
4 capital outlay, including the amount necessary to pay the princi-
5 pal and interest of any outstanding bonds or other obligations of
6 the authority maturing during the ensuing fiscal year or which
7 have previously matured and are unpaid, and an estimate of the
8 estimated revenue of the airport authority from all sources for
9 the ensuing fiscal year. Airport authorities consisting only
10 of 2 or more counties shall have until September 1 of each year
11 to prepare this budget. The board shall adopt ~~such~~ A budget as
12 ~~shall be deemed~~ IS CONSIDERED necessary and shall ascertain
13 what appropriations are required from the several ~~counties,~~
14 ~~cities, townships, and villages~~ ELIGIBLE PUBLIC ENTITIES to meet
15 their respective shares of the amount of the budget in excess of
16 the estimated revenues.

17 (2) ~~In determining the fair and equitable share of each~~
18 ~~county, city, and township, the board shall establish the ratio~~
19 ~~that the state equalized valuation of each for the year in which~~
20 ~~the appropriation is required bears to the total state equalized~~
21 ~~valuation for the year in which the appropriation is required of~~
22 ~~all the counties, cities, and townships included in the airport~~
23 ~~authority and use the applicable ratio in determining the amount~~
24 ~~of appropriation required from a county, city, or township. Any~~
25 ~~village included in the airport authority shall appropriate its~~
26 ~~proportionate share of the amount apportioned to the township in~~
27 ~~which it is located, and in determining the division between the~~

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1 ~~township and village, the amount of their respective state~~
2 ~~equalized valuations for the year the appropriation is required~~
3 ~~shall be used as the basis for the determination.~~ A RESOLUTION
4 THAT CREATES AN AIRPORT AUTHORITY SHALL PROVIDE FOR THE FAIR AND
5 EQUITABLE SHARE CONTRIBUTION OF EACH PARTICIPATING COUNTY, TOWN-
6 SHIP, CITY, OR VILLAGE AND DETERMINE THE LIMIT OF THE BUDGET OF
7 THE AIRPORT AUTHORITY. EACH ELIGIBLE PUBLIC ENTITY SHALL PAY ITS
8 FAIR AND EQUITABLE SHARE CONTRIBUTION NOT LATER THAN 120 DAYS
9 AFTER RECEIPT OF THE REQUESTED AMOUNTS. The board shall certify
10 to each participating county, city, township, and village the
11 amount to be raised by them, and the respective counties, cities,
12 townships, and villages shall include ~~such amounts~~ THAT AMOUNT
13 in their next ~~ensuing budgets~~ BUDGET and shall pay the ~~amounts~~
14 ~~so~~ AMOUNT certified from any ~~funds~~ MONEY they have available
15 or from the proceeds of a tax which they are authorized to levy,
16 in an amount sufficient ~~therefor~~ TO MEET THE AMOUNT, but not
17 exceeding 1 mill. ~~Payment of sums so~~ THE AMOUNT certified
18 ~~shall be~~ IS due and payable to the airport authority 120 days
19 ~~subsequent to~~ AFTER the date upon which local taxes become due
20 and payable in counties, cities, villages, and townships partici-
21 pating in the airport authority. Each county, city, township,
22 and village shall be liable for the amount ~~so~~ certified.

23 (3) The board shall also ~~render~~ GIVE to each participating
24 ~~county, city, township, and village~~ ELIGIBLE PUBLIC ENTITY, on
25 each July 1, during the operation of the airport a certified
26 report of the operation of the airport. Each report shall state
27 the condition of the finances, the amount of money expended, and

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1 the money received from all sources. The board shall also file a
2 copy of the report with the department of treasury together with
3 any other information the department of treasury may require.
4 Within 30 days after the formation of any new airport authority,
5 and annually on July 1 ~~thereafter~~ OF EACH CALENDAR YEAR AFTER
6 THAT TIME, the airport authority board shall file with the secre-
7 tary of state a report as the secretary of state may require,
8 showing the date of formation, the names of the member
9 ~~communities,~~ ELIGIBLE PUBLIC ENTITIES and any other information
10 ~~as~~ the report may call for.

11 Sec. 8. For the purpose of acquiring, purchasing, con-
12 structing, improving, enlarging, or repairing ~~such~~ community
13 airports, the airport authority board may issue self-liquidating
14 bonds of the AIRPORT authority in accordance with ~~Act No. 94 of~~
15 ~~the Public Acts of 1933, as amended, being sections 141.101 to~~
16 ~~141.139 of the Michigan Compiled Laws~~ THE REVENUE BOND ACT OF
17 1933, 1933 PA 94, MCL 141.101 TO 141.140. The bonds shall not
18 impose any liability upon the ~~counties, cities, villages, and~~
19 ~~townships~~ ELIGIBLE PUBLIC ENTITIES included in the airport
20 authority, other than on the amounts ~~which~~ THAT are assessed
21 against the respective ~~municipalities~~ ELIGIBLE PUBLIC ENTITIES
22 as provided for by this act, which amounts or any portion
23 ~~thereof~~ OF THE AMOUNTS may be pledged by the governing body of
24 the airport authority for the payment of the bonds for a period
25 not exceeding 40 years. The amount ~~herein~~ required to be paid
26 by any ~~municipality~~ ELIGIBLE PUBLIC ENTITY under ~~the~~
27 ~~provisions of~~ this act ~~shall be considered to be~~ IS a part of

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1 the revenues of the airport authority as that term is defined in
2 section 3(f) of ~~Act No. 94 of the Public Acts of 1933, as~~
3 ~~amended, being section 141.103 of the Michigan Compiled Laws~~ THE
4 REVENUE BOND ACT OF 1933, 1933 PA 94, MCL 141.103. The bonds
5 shall be sold for not less than par and shall bear interest at a
6 rate not in excess of the maximum rate permitted under section 12
7 of ~~Act No. 94 of the Public Acts of 1933, as amended, being sec-~~
8 ~~tion 141.112 of the Michigan Compiled Laws~~ THE REVENUE BOND ACT
9 OF 1933, 1933 PA 94, MCL 141.112. If a petition for referendum
10 is filed with the secretary of the airport authority in accord-
11 ance with the provisions of section 33 of ~~Act No. 94 of the~~
12 ~~Public Acts of 1933, as amended, being section 141.133 of the~~
13 ~~Michigan Compiled Laws~~ THE REVENUE BOND ACT OF 1933, 1933 PA 94,
14 MCL 141.133, the governing body of the airport authority shall
15 adopt a resolution establishing the date of the election, which
16 shall be not less than 60 days nor more than 90 days after the
17 adoption of the resolution. The secretary of the authority,
18 within 5 days after the adoption of the resolution, shall trans-
19 mit a certified copy of the resolution to the governing body of
20 each member community. The governing bodies of the member commu-
21 nities immediately shall provide for an election in accordance
22 with the resolution passed by the authority, in which the ques-
23 tion of issuing the bonds and pledging the authority's revenues,
24 including all or any part of the amounts assessed against the
25 respective ~~municipalities~~ COMMUNITIES as provided for by this
26 act, shall be submitted. The ballots for use in the election
27 shall be provided by the authority and the election shall be

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1 conducted in the respective communities except that if any part
2 or all of a village belonging to an airport authority is located
3 in a township belonging to the same authority, the township elec-
4 tion shall include that part of the village located in it and the
5 village shall not be required to hold an election except in that
6 portion of the village not located in a township belonging to the
7 authority. The governing bodies of the member communities shall
8 act as a board of canvassers and shall certify the results of the
9 election to the airport authority board, within 5 days after the
10 date of the election, on forms provided by the airport
11 authority. The airport authority board shall compile and tabu-
12 late the vote as required from the member communities and certify
13 the result of the election by resolution upon the records of the
14 AIRPORT authority. A majority of the total valid votes cast at
15 such an election voting "yes" on the question submitted shall
16 constitute an approval of the issuance of the bonds.

17 Sec. 11. As used in this act: ~~—, "community—~~

18 (A) "COMMUNITY" MEANS A COUNTY, TOWNSHIP, CITY, OR VILLAGE
19 OF THIS STATE.

20 (B) "COMMUNITY airport" means any location, either on land
21 or water, which is used for the landing or take-off of aircraft,
22 which provides facilities for the shelter, supply, or care of
23 aircraft, or for receiving or discharging passengers or cargo,
24 and all appurtenant areas used or suitable for airport buildings
25 or other airport facilities, INCLUDING all appurtenant
26 rights-of-way and runway clear zones as designated by the civil

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1 aeronautics authority. ~~—, whether heretofore or hereafter~~
2 ~~established.—~~

3 (C) "ELIGIBLE PUBLIC ENTITY" MEANS A COUNTY, CITY, VILLAGE,
4 OR TOWNSHIP, THE MICHIGAN AERONAUTICS COMMISSION, OR ANY COMBINA-
5 TION OF THESE ENTITIES.